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DEC 2 1 1956

In the

Supreme Court of the United States

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1956

NO. 598

JOHN S. NACHTMAN, Petitioner,

v.

JONES & LAUGHLIN STEEL CORPORATION, Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR CERTIORARI.

I.

Counterstatement as to Petitioner's "Questions Presented".

(a) All that is really sought by the petition is that this Court review particular facts rather than pass upon questions of principle, because petitioner concedes (Pet'n., p. 14) that

> "If the 'facts' are as marshalled in the trial court's opinion, then the conclusions reached below are probably sound."

As will appear below, petitioner's "Questions Presented" are based on incorrect factual premises.

(b) A resolution of petitioner's questions in his favor would not lead to a different result because the decisions below were predicated in material part on the resolution of law questions which lay outside the province of the jury, e.g., legal requirements for reissue (R. 342a), claim requirements (R. 339a), legal standards of patentability as enounced in *Great Atlantic & Pacific*

Tea Co. v. Supermarket Equipment Corp., (1950) 340 U.S. 147 (R. 328a, 341a, 348a), double patenting (R. 348-9a) and unlawful enlargement of original disclosure to blanket adverse public uses (R. 350a). Decision on those questions was reserved by the trial judge when he sent the case to the jury but were ultimately resolved by him adversely to petitioner; Civil Rule 50(b), (R. 354a). The Court of Appeals affirmed him in those respects as in all others (Pet'n., p. 4a). The petition does not question the correctness of the points of law involved or that they were correctly applied by the courts below.

II.

Counterstatement of the Case.

(a) This is an ordinary patent infringement case, tried by a jury. At the close of all the evidence, petitioner moved for a directed verdict. Decision on the motion was reserved. After the verdict, in petitioner's favor, respondent moved for judgment n.o.v. After full consideration (R. 327-353a) the trial judge (Willson, J.) set aside the jury verdict and entered judgment in respondent's favor (R. 354a). The Court of Appeals unanimously affirmed (Pet'n., p. 1a). A petition for rehearing was denied.

(b) As above stated, the decisions below involved the resolution of law questions outside the province of the jury and these were decided adversely to petitioner. In his review of the evidence, the trial judge posited that he was "not free to reweigh the evidence or set aside the verdict because the jury might have drawn different inferences or conclusions or the court might

have thought another result more reasonable" (R. 330a) and that his review must be "on the basis that plaintiff is entitled to all the inferences and the evidence is to be considered in the light most favorable to him" (R. 332a). Nevertheless, he was forced to these conclusions (R. 351a):

> "All of the evidence taken in its most favorable light for the plaintiff, with all disputed facts, questions and inferences resolved in his favor, leaves plaintiff's case wholly unproved.
>
> * * * * * * *
>
> "In conclusion, under all of the evidence there was no room for reasonable men to differ. The verdict of the jury was in disregard of the evidence. The verdict will be set aside."

The Court of Appeals unanimously concurred (Pet'n., p. 4a).

(c) Contrary to petitioner's assertion that the electrotinning art originated with him, the record shows by his own admissions that "continuous electrotinning and plating of strip products became inevitable" when the 4-high strip mill became established in the industry, "particularly since basic principles of electroplating have been understood and the process applied to a limited extent for three-quarters of a century" (R. 330a, 411a).*

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* The quoted language appears in an article that was published under petitioner's name (R. 410-414a). Petitioner now denies responsibility for it (Pet'n., pp. 15-16) contrary to the statement of his counsel at pretrial (R. 208b): "I will * * * bind him that he participated in the writing of that article. Whether he wrote it all, he does not recall. * * * He says he knows he participated in this. He knows that all the basic thoughts are his—."

Counterstatement of the Case.

The patent upon which petitioner mainly bases his extravagant claim of pioneership (Re. 20,788; R. 356a) is essentially identical with the prior art commercial Meaker plating lines (see comparative exhibits reproduced in respondent's exhibit volume, green cover, R. 225b). Meaker lines were installed among other places at Thomas Steel Company in Warren, Ohio. Petitioner admitted that his first contact with the electroplating art was when he was hired by Thomas to supervise the completion of assembly of a Meaker line (R. 2b; 12-13a). Prior to petitioner's employment at Thomas, the line had been designed for it, the several parts were on hand and the line was in process of erection (R. 3b).

Altogether, Thomas put in four Meaker lines for electrocoating steel strip with zinc, tin, copper and cadmium, respectively. The only difference between them was in the composition of the plating solution used in the plating tank (R. 4b).

There is no patentable distinction whatsoever between what is described and claimed in petitioner's patent Re. 20,788 and what he found awaiting him at Thomas Steel Company when he was hired by it (R. 337-340a). Petitioner did not disclose to the Patent Office the derivation of his scheme from the Meaker lines and the existence of them was unknown to it, as was the existence of a completely anticipatory German publication (R. 340-341a; 227-229b). Petitioner alleges that he produced "an entirely new product" (Pet'n., p. 20) but the product was in fact old, both in the German publication and in the operation of the electrotinning line at Thomas Steel Company.

The other scheme upon which petitioner bases his claim of pioneership is the heating of the coated strip, as in a hot oil bath, so as to fuse the coating and thereby brighten the surface. Petitioner derived the brightening scheme from one John Ferm, a fellow employee at Crucible Steel Company (cf. Pet'n., p. 5). Petitioner admitted that he and Ferm were both at Crucible when the electrotinning line was being installed there; that there was subsequently a Patent Office interference between them on the brightening scheme; that the Patent Office decided the issue in Ferm's favor and that litigation for a review of that decision terminated in favor of Ferm (R. 20b).

Contrary to petitioner's assertion (Pet'n., p. 2), there has been no "wide acceptance and use of petitioner's patents under license"; even the Crucible Steel Company installation (Pet'n., p. 5) appears not to have been operated since 1937 (Trial Tr. 61).

(d) While the Court of Appeals concurred in Judge Willson's opinion in all respects, it placed particular emphasis on his holding that petitioner's patents were for mere unpatentable aggregations (Pet'n., p. 4a). In so holding, Judge Willson applied the principles enounced in *A. & P. Tea Co. v. Supermarket Corp., supra,* (R. 341a, 348a). And contrary to petitioner's assertion (Pet'n., p. 30), there is no testimony that "true elements of combination were involved" in petitioner's patents. The only thing that even savors of this is testimony as to the alleged necessity for a certain type of pretreatment (Pet'n., pp. 20, 22-23) but that evidence went only to patent Re. 20,788 and drew a distinction not defined in

the claims (R. 339a). Petitioner did not even attempt to prove coaction between the elements of his other patents.

(e) Contrary to petitioner's assertion (Pet'n., pp. 19-20), the Lippert article which petitioner cites as proof of a long felt want (Pet'n., p. 20) is not in evidence. The article was not offered or referred to in any way at the trial. It was published nineteen years before the trial.

(f) Petitioner was not improperly circumscribed in his rebuttal proofs. He made no offers of proof as to most of the matters of which he complains, so there was nothing in the record for the Court of Appeals to rule upon. Such rulings of the trial court as were made during rebuttal, adverse to petitioner, were not made a ground of appeal below.

(g) The charge of misappropriation of trade secrets is utterly groundless in fact. The charge stems merely from the fact that more than ten years prior to the commencement of this action, while petitioner was an employee of Blaw-Knox Company of Pittsburgh (R. 9b), Blaw-Knox made an unsolicited offer to sell respondent an electrotinning line for a stated purchase price (R. 37a; 30b); no trust relationship was requested or created in or by the Blaw-Knox submissions; there was no suggestion that the submitted material included any trade secrets; there was no request that it be treated as confidential (see R. 33-39a); the submissions contained no working drawings or engineering specifications (R. 99b, 187-188b) but merely showed, diagrammatically (R. 25b), a number of items of equipment old in the art and arranged in a notoriously old sequence (see R. 223b). Respondent did not accept the Blaw-Knox proposal.

The accused lines were not installed until some years later (R. 39-40b). They were not built in accordance with the Blaw-Knox diagram but from working drawings purchased from Crown Cork & Seal Company of Baltimore; those drawings were of an electrotinning line that had been designed and successfully operated by Crown Cork & Seal Company (R. 39-40b, 99b).

Petitioner was unable to point to anything in the Blaw-Knox submission that had been invented by him (R. 14b). Petitioner saw the accused lines after their installation (R. 57-58a) but far from then contending that they embodied his ideas, petitioner asserted that the difficulty with the accused lines was that they did *not* do so and that "by taking out a license under my Patents and making changes according to my Patents Jones & Laughlin will be able to produce good tin plate" (R. 58a).

The submission was not by petitioner but by Blaw-Knox, and Blaw-Knox has never charged respondent with misappropriation. Petitioner appears to have wound up all of his dealings with Blaw-Knox by agreement with it (R. 28-30a).

The Court of Appeals correctly noted that the claim of misappropriation "was not strongly pressed" and that "any claim for separate damages with respect to it" had been abandoned in the District Court (Pet'n., p. 4a). In a brief review (Pet'n., pp. 4-5a), it showed that none of the elements of a case had been made out.

III.

ARGUMENT.

There is no substance to any of petitioner's "questions presented"; there is no conflict with another Court of Appeals, no question of Federal law which has not been settled by this Court, no conflict with applicable decisions of this Court, no situation which calls for an exercise of this Court's power of supervision; *cf. Rule 19; Magnum Import Co. v. Coty,* (1923) 262 U.S. 159, 163; *Keller v. Adams-Campbell Co.,* (1924) 264 U.S. 314, 319-320; *Layne & Bowler Corporation v. Western Well Works, Inc., et al.,* (1923) 261 U.S. 387, 392-3; *Forsyth v. Hammond,* (1897) 166 U.S. 506, 513-4.

Petitioner's major contention, that he was denied his constitutional right for trial by jury, is utterly without merit; *cf. Slocum v. New York Life Insurance Co.,* (1913) 228 U.S. 364, 369; *Baltimore & Carolina Line, Inc. v. Redman,* (1935) 295 U.S. 654, 659; *Galloway v. United States,* (1943) 319 U.S. 372, 389; Civil Rule 50(b); *Ryan Distributing Corp. v. Caley,* (C.A. 3, 1945) 147 F. 2d 138, cert. den. (1945) 325 U.S. 859.

The petition does not accurately state the case. It is based in part upon matter *dehors* the record. It ignores and leaves unchallenged specific holdings below which are dispositive of the case, independently of the matters raised in the petition; *cf. Southern Power Company v. North Carolina Public Service Company et al.,* (1924) 263 U.S. 508, 509; *Furness, Withy & Company, Limited, v. Yang-Tsze Insurance Association, Limited, et al.,* (1917) 242 U.S. 430.

Argument.

Petitioner tacitly concedes (Pet'n., pp. 30, 31) the soundness of the rules of law followed by the lower courts in reviewing the jury verdict; *cf. Market Street Cable Railway Company v. Rowley,* (1895) 155 U.S. 621, 625; *Singer Company v. Cramer,* (1904) 192 U.S. 265, 275; *Connors et al. v. Ormsby,* (C.A. 1, 1906) 148 Fed. 13; *McIlvaine Patent Corp. v. Walgreen Co., et al.,* (C.A. 7, 1943) 138 F. 2d 177; *Ryan Distributing Corp. v. Caley, supra; Packwood v. Briggs & Stratton Corp.,* (C.A. 3, 1952) 195 F. 2d 971, cert. den. (1952) 344 U.S. 844, 882; *Patent Scaffolding Co., Inc. v. Upright, Inc., et al.,* (C.A. 9, 1952) 194 F. 2d 457, cert. den. (1952) 343 U.S. 958. Petitioner's contention merely is that his patents are more complicated than those involved in prior cases. In brief, he seeks no review of questions of principle but a review of particular facts; *cf. Crowell v. Benson,* (1932) 285 U.S. 22, 65.

The petition should be denied.

Respectfully submitted,

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Attorney for Respondent.

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Of Counsel.

December 20, 1956.